sistance to small and marginal farmers for increasing agricultural production is Rs. 233.64 lakhs, out of this 70% funds are to be utilised for Minor Irrigation Works.

Formation of a Indo-Arab investment Company

2760. SHRI HASHIM RAZA ALLAHABADI ABDI: Will the Minister of FINANCE be pleased to state

(a) whether it is a fact that the Indo-Arab Joint Business Council has suggested the formation of an Indo-Arab Investment Company; and

(b) if so, wnat are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) At the meeting of the Indo-Arab Joint Business Council held in New Delhi in October, 1987 a suggestion was made that an investment company under the joint ownership of India and the Arab countries could be set up.

Investment by public in private companies

2761. SHRI KALPNATH RAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of private companies offer shares to the public and invite investments in the shape of fixed deposits;

(b) whether any study of the investments by the public in private companies has been conducted by the Government and if so, whether any norms have been laid down in this regard for observance by such companies, and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (c) Government have issued certain guidelines (as attached) for compliance by the companies. (For the concerned Press Notes. *See* Statement below.) The provisions of Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed thereunder, regulate the acceptance of deposits by a company.

Statement

PRESS NOTE

Subject: Guidelines for expeditious processing of applications from the public for public issue of Capital and despatch of refund orders.

With a view to further safeguarding the interest of the investing public, the Government have decided to incorporate the following new condition in the list of conditions attached to the consent order issued by the Controller of Capital Issues for raising securities from the public by companies. The new condition is the following:

1. (i) The Company shall scrupulously adhere to the time limit of 10 weeks from the date of closure of the subscription list for allotment of all securities and despatch of allotment letters/certificates and refund orders.

(ii) The company shall, at the time of filling its application for listing to the regional Stock Exchange, furnish an undertaking for compliance of the above condition, along with a scheme incorporating the necessary details of the arrangements for such compliance. This undertaking shall be signed